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July 14, 2005

VIA HAND DELIVERY

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau
P.O. Box 358145
Pittsburgh, PA 15251-5145

Re: Request for Special Temporary Authority--In the Matter of the Application of Homebase Acquisition, LLC and Consolidated Communications Illinois Holdings, Inc. for Authorization Pursuant to Section 214 of the Communications Act of 1934, as Amended, for a Corporate Reorganization and Transfer of De Facto Control of an Domestic Carrier

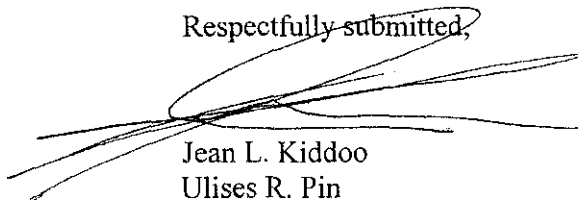
Dear Ms. Dortch:

On behalf of Homebase Acquisition, LLC ("Homebase") and Consolidated Communications Illinois Holdings, Inc. ("CCIH") (together, the "Applicants"), enclosed please find an original and six (6) copies of a Request for Special Temporary Authority in association with the an application notifying the Commission of a *pro forma* change in Applicants' corporate structure and request for approval for the transfer of *de facto* control of Homebase's subsidiaries from Homebase to CCIH.

Also enclosed is a completed Fee Remittance Form 159, which provides an American Express credit card number and expiration date for payment of \$895.00 to the Federal Communications Commission, to satisfy the filing fee required for this Application under line 2.b of Section 1.1105 of the Commission's rules.

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please do not hesitate to contact us if you have any questions regarding this filing.

Respectfully submitted,



Jean L. Kiddoo
Ulises R. Pin
Counsel to Applicants

Enclosure

9234311v1

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
HOMEBASE ACQUISITION, LLC)	
)	
and)	
)	
CONSOLIDATED COMMUNICATIONS)	File No. ITC-T/C-2005 _____
ILLINOIS HOLDINGS, INC.)	WCB Docket No. 04 _____
)	
Application for authority pursuant)	
to Section 214 of the Communications)	
Act of 1934, as amended, for a Corporate)	
Reorganization and the Transfer of De Facto)	
Control of International and Domestic Carriers)	

**APPLICATION FOR A TRANSFER OF CONTROL OF DOMESTIC AND
INTERNATIONAL SECTION 214 AUTHORIZATIONS**

Consolidated Communications Illinois Holdings, Inc. ("CCIH") and Homebase Acquisition, LLC ("Homebase" and, together with CCIH, "Applicants"), by their undersigned attorneys and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's rules, 47 C.F.R. §§ 63.04 and 63.24, hereby notify the Commission of a *pro forma* change Applicants' corporate structure and request approval for the transfer of *de facto* control of Homebase's subsidiaries that hold domestic and international authority under Section 214 and their respective Section 214 authorizations from Homebase to CCIH,¹ as a result of a corporate reorganization and the

¹ Homebase's subsidiaries that hold international authority under Section 214 are: Consolidated Communications Network Services, Inc. and Consolidated Communications Telecom Services of Texas Company (collectively, the "International 214 Subsidiaries"). Homebase's subsidiaries that operate under domestic authority under Section 214 are: Illinois Consolidated Telephone Company, Consolidated Communications Network

initial public offering of stock of CCIH (the "Transaction"). The Section 214 authorizations currently held by the Operating Subsidiaries will continue to be held by those entities following consummation of the proposed transaction.

As more fully described in Section II below, in addition to an intra-company merger of Applicants that will result in a *pro forma* transfer of control of the Operating Subsidiaries, the current ownership of Applicants will change and certain governance provisions in the current Homebase LLC Agreement will terminate.² However, these will be replaced by certain supermajority voting provisions related to the appointment of the Board of Directors and certain major corporate transactions which provisions will have the effect of preserving the effective control of the Company by Central Illinois Telephone, LLC ("CIT"). As a result, the Applicants believe that *de facto* control is arguably not being transferred as a result of the Transaction, but since the governance rights are changing and there is no "bright line" test for what constitutes a transfer of *de facto* control, Applicants file this Application seeking Commission approval of the transfer.

I. DESCRIPTION OF THE PARTIES

A. Homebase Acquisition, LLC (Transferor)

Homebase is a Delaware limited liability company. Homebase is headquartered in Mattoon, Illinois. Through its operating subsidiaries, Homebase is an established rural local exchange company that provides communications services to residential and business customers in Illinois and in Texas. Homebase main sources of revenues are its local telephone

Services, Inc., Consolidated Communications Operator Services, Inc., Consolidated Communications Public Services, Inc., Consolidated Communications of Texas Company, Consolidated Communications of Fort Bend Company and Consolidated Communications Telecom Services of Texas Company (collectively, the "Domestic 214 Subsidiaries" and, together with the International 214 Subsidiaries the "Operating Subsidiaries").

² Second Amended and Restated Homebase Acquisition, LLC Limited Liability Company Agreement, dated as of January 15, 2004 ("Homebase LLC Agreement").

businesses in Illinois and Texas, which offer an array of services, including local dial tone, custom calling features, private line services, long distance, dial-up and high-speed Internet access, carrier access and billing and collection services. Each of Homebase's subsidiaries that provide local telephone services is classified as a rural telephone company under the Act.

B. Consolidated Communications Illinois Holdings, Inc. (Transferee)

CCIH is a Delaware corporation. CCIH is also headquartered in Mattoon, Illinois. Currently CCIH is a wholly-owned subsidiary of Homebase and the intermediate parent company of Homebase's operating subsidiaries in the State of Illinois. CCIH does not directly operate any telecommunications services.

II. DESCRIPTION OF THE TRANSACTION (ANSWER TO QUESTION 13)

Applicants seek approval of a reorganization (the "Transaction") in which:

- (1) Consolidated Communications Texas Holdings, Inc. ("CCTH"), a wholly-owned subsidiary of Homebase, will be merged with and into CCIH, with CCIH being the surviving corporate entity;
- (2) Homebase will be merged with and into CCIH, with CCIH being the surviving corporate entity;³
- (3) In connection with the merger of Homebase into CCIH, the current owners of Homebase⁴ will receive shares of common stock of CCIH;

³ In connection with the Transaction, the name of CCIH will be changed to Consolidated Communications Holdings, Inc.

⁴ The following entities currently have a direct 10% or greater direct interest in Homebase: (i) 31.67% by Central Illinois Telephone, LLC, a Delaware limited liability company ("CIT") with its principal address at 121 South 17th Street Mattoon, IL 61938-39; (ii) 31.67% by Spectrum Equity Investors IV, LP, a Delaware limited partnership ("Spectrum Group") with its principal address at One International Place, 29th Floor, Boston, MA 02110; and (iii) Providence Equity Partners IV, LP, a Delaware limited partnership ("Providence Group") with its principal address at 50 Kennedy Plaza, 18th Floor, Providence, RI 02903.

- (4) In connection with the merger of Homebase with and into CCIH, the Homebase LLC Agreement will terminate; and
- (5) CCIH will issue shares of its common stock to the public representing approximately a 20% equity interest in CCIH, and the current owners of Homebase will sell, in the aggregate, shares of their common stock in CCIH representing approximately a 30% to 40% equity interest in CCIH to the public, in an initial public offering (the "IPO").

Upon completion of the Transaction, CCIH will be the ultimate parent company of the Operating Subsidiaries. Approximately 20% to 25% of the common stock of CCIH will be held by CIT, one of the current owners of Homebase, while approximately 15% to 20% of the common stock CCIH will be held, in the aggregate, by the other current owners of Homebase, and the remaining approximately 50% to 60% of the common stock of CCIH will be held by public shareholders.

The proposed Transaction will be seamless to the Operating Subsidiaries' customers. Attached hereto as Exhibit A are organizational charts that illustrate the current corporate structure of Applicants and the structure that will exist immediately following consummation of the proposed Transaction.

In connection with the merger of Homebase with and into CCIH, CIT, Spectrum Group and Providence Group will each receive from Homebase shares of CCIH common stock; and management employees will receive restricted shares of common stock of CCIH in respect of their restricted common shares in Homebase. As a result of the merger of Homebase with and into CCIH, and prior to issuance of CCIH common stock to the public, the common stock of CCIH will be owned directly by CIT, Spectrum Group and Providence Group and by

management employees. CCIH will become the direct corporate parent of the Operating Subsidiaries.

One result of the merger of Homebase (a limited liability company) into CCIH (a corporation), with CCIH the surviving entity, is that the Homebase LLC Agreement, which is the controlling governance document for Homebase, will terminate, and the governance provisions of the Homebase LLC Agreement will no longer control the relative rights and obligations of the Providence Group, the Spectrum Group and CIT to manage the business and affairs of Homebase and its subsidiaries. Among the governance provisions that will no longer be in effect are the negative control rights currently held by CIT with respect to Homebase and its subsidiaries, as provided for in the Homebase LLC Agreement. Specifically, under Section 6.2 of the Homebase LLC Agreement, Homebase is managed by a Board of Managers consisting of four directors. Two of the directors are designated by CIT, one director is designated by Spectrum Group, and one director is designated by Providence Group. Each director is entitled to one vote on any matter (except after the occurrence of certain potential future events that are not relevant to this Application). As a result, CIT (which is controlled by Richard A. Lumpkin) presently has 50% of the voting power on the Homebase Board of Managers, while Spectrum Group and Providence Group each has 25% of the voting power on the Board of Managers. Section 6.2(b) of the LLC Agreement provides that “the vote or consent of the Majority Directors shall be necessary for the Board to take action or consent to any action or matter.” The “Majority Directors” are defined in the LLC Agreement as directors having more than 50% of the total number of votes that may be cast by all directors then in office.⁵ The foregoing provisions will no longer be in effect upon the merger of Homebase into

⁵ There is one exception to this general rule in Section 6.2(b)(ii) of the LLC Agreement, which provides that in connection with any matter considered by the Board or the board of directors of any Non-CCI company that

CCIH.

Immediately upon consummation of the merger of Homebase into CCIH, CCIH and its stockholders will sell common stock of CCIH to the public in an IPO. It is anticipated that (i) CCIH will sell shares of its common stock to the public representing approximately a 20% equity interest in CCIH after the IPO; (ii) CIT will sell shares of CCIH common stock to the public representing less than a 5% equity interest in CCIH after the IPO; (iii) Spectrum Group will sell shares of CCIH common stock to the public representing approximately a 20% equity interest in CCIH after the IPO; and (iv) Providence Group will sell shares of CCIH common stock to the public representing approximately a 10% equity interest in CCIH after the IPO. As a result of the sale of CCIH common stock to the public, the holdings of CCIH common stock immediately following the IPO are expected to be as follows: (i) public shareholders will hold shares of CCIH common stock representing approximately a 50 to 60% equity interest in CCIH; (ii) CIT will hold shares of CCIH common stock representing approximately 20% to 25% equity interest in CCIH; (iii) Spectrum Group will hold shares of CCIH common stock representing approximately a 5% equity interest in CCIH; (iv) Providence Group will hold shares of CCIH common stock representing approximately a 10% to 15% equity interest in CCIH; and (v) management employees will hold restricted shares of CCIH common stock representing approximately a 5% equity interest in CCIH. However, CCIH's amended and restated articles of incorporation and bylaws will include certain supermajority voting provisions related to the removal of members of the Board of Directors and fundamental

does not affect the CCI companies or Homebase's interests therein, if the remaining members of the Board vote unanimously in favor of or against such matter, CIT will cause its directors to vote for or against such matter in the same manner as the other Board members. The "CCI companies" are CCIH are Consolidated Communications, Inc. ("CCI"), an Illinois corporation, which is wholly-owned by CCIH and the other subsidiaries of CCI (as shown on Exhibit A to this Application).

corporate transactions, including, mergers, consolidations or sales of substantially all of the assets of CCIH. The effect of these supermajority provisions is to preserve the effective control by CIT (a limited liability company owned and controlled by Richard A. Lumpkin), as owner of 20% to 25% of the common stock of CCIH, over certain major corporate decisions.

Applicants anticipate that the proceeds of the IPO will be approximately \$250,000,000, of which approximately \$90,000,000 will be received by CCIH and the remainder will be received by selling stockholders from their sales of CCIH common stock.

III. PUBLIC INTEREST STATEMENT

Approval of the proposed Transaction will serve the public interest. Applicants anticipate that a number of benefits will result from the Transaction that will be beneficial to the Operating Subsidiaries. On a consolidated basis, the capital structure of CCIH and its subsidiaries will be less highly leveraged following the reorganization than is the current consolidated capital structure of Homebase and its subsidiaries, as a result of the sale of common stock to the public by CCIH and the use of a portion of the proceeds of that sale to retire or redeem a portion of the outstanding debt of CCIH and its subsidiaries. Further, by creating a public market in CCIH's common stock, the Transaction should afford CCIH more ready access to the public capital markets should it need to raise additional capital on behalf of itself and its subsidiaries.

In addition, it is anticipated that following the reorganization, Richard A. Lumpkin will continue as Chairman of CCIH and will be continue to be directly involved in the management of CCIH and the Operating Subsidiaries. Additionally, it is anticipated that the current senior management team of Homebase and the Operating Subsidiaries will continue in place as the senior management team of CCIH and the Operating Subsidiaries following the

reorganization.. Thus, the Transaction will not have a direct impact on the day-to-day management or operations of the Operating Subsidiaries. Moreover, the proposed Transaction will be consummated in a seamless fashion, and will not in any way inconvenience or cause harm to any of the Operating Subsidiaries' customers.

IV. REQUEST FOR EXPEDITED CONSIDERATION AND STREAMLINED PROCESSING

A. Request for Expedited Consideration

The proposed corporate restructuring is *pro forma* in nature and as described above the ownership transfers arguably do not result in any *de facto* transfer of control of the Operating Subsidiaries. However, because of the importance of the Transaction and the fact that there is no bright line test for what constitutes a *de facto* transfer of control, Applicants are filing this Application to transfer control of the Operating Subsidiaries. In particular, the first steps of the proposed Transaction (the merger of CCTH and Homebase in and into CCIH) are a *pro forma* transfer of control of the Operating Subsidiaries, as Homebase will be merging into its wholly-owned subsidiary, CCIH, which will become the ultimate parent company of the Operating Subsidiaries following consummation of the Transaction. No change of actual control of the Operating Subsidiaries will result as a result of this *pro forma* reorganization.

In the second step of the proposed Transaction (the IPO), (i) CCIH will sell shares of its common stock to the public representing approximately 20% equity interest in CCIH after the IPO and (ii) the current shareholders of CCIH will sell shares of CCIH common stock to the public representing approximately a 30 to 40% equity interest in CCIH after the IPO; (iii) the remaining shares will continue to be held by current shareholders and management employees. (See Exhibit A.) The shares of CCIH will be widely held and, as today, no entity will have *de jure* control over the Operating Subsidiaries, as no entity will hold an indirect interest of 50%

or more of the Operating Subsidiaries, through their ownership in CCIH. Moreover, *de facto* control of the Operating Subsidiaries will arguably not change as a result of the proposed Transaction. Under the Homebase LLC Agreement, CIT (which is controlled by Richard A. Lumpkin) currently has 50% of the voting power on the Homebase Board of Managers. Although upon consummation of the Transaction the Homebase LLC Agreement will no longer be in effect, CIT (as the largest single shareholder in CCIH) will continue to exercise the negative voting controls noted above and will continue to largely influence the management and direction of the Operating Subsidiaries. As such, Applicants believe that there will be no *de facto* transfer of control of Operating Subsidiaries as a result of the proposed Transaction. Nevertheless and in an abundance of caution in this multi-million dollar securities transaction, Applicants are filing the instant Application to obtain Commission approval prior to consummation of the proposed Transaction.

The long IPO process is nearing completion and Applicants have concluded significant negotiations with the underwriters and are in the midst of the “road show” marketing of CCIH’s shares to the public. During the very last stages of the process, the structure of the transaction changed somewhat as the parties have sought to maximize the value of the offering, and those changes have necessitated this Application. Given the status of the IPO processes and the advice of the underwriters that the capital markets are currently receptive to the offering, it is critical that the parties be in a position to close the Transaction by July 19, 2005. If the transaction is not closed by July 19, 2005, the current conditions of the capital markets may change. If this “window of opportunity” is lost, CCIH may lose the ability to obtain \$90,000,000 which will allow CCIH and its subsidiaries to significantly improve their financial position and balance sheet. Consummation of the proposed Transaction is contingent upon,

among other things, approval of this Application by the Commission. Therefore, Applicants request expedited Commission approval of the instant Application, as far in advance of July 19, 2005 as possible.

Concurrently herewith, Applicants are filing a request for Special Temporary Authority (“STA”). Applicants urge the FCC to act expeditiously on this Application and the STA. Applicants emphasize that the transfer of control of the Operating Subsidiaries are largely *pro forma* and will be seamless and completely invisible to the Operating Subsidiaries’ customers. Consummation of the proposed Transaction will not result in the discontinuance, reduction, loss, or impairment of service to the Operating Subsidiaries’ customers. Accordingly, Applicants request that the Commission commence its examination of the proposed Transaction immediately. Given the magnitude of the Transaction at hand, it is in the interest of all parties – Applicants, the selling shareholders, the underwriters, and the customers, employees, creditors of Applicants – that the Transaction be closed quickly, the parties have been mindful of the need to structure a transaction and proceed as quickly as possible to avoid any confusion or inconvenience to customers. The public interest would therefore support commencement of the review process as soon as possible and conclusion of the review as promptly as possible.

B. Request for Streamlined Processing

As discussed below, this Application is eligible for presumptive streamlined treatment under Sections 63.03(b)(2)(iii) and 63.12 of the Commission’s rules, 47 C.F.R. §§ 63.03(b)(2)(iii) and 63.12, and Applicants hereby request streamlined processing.

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e) of the Commission’s rules, in support of this Application

Applicants submit the following information from Section 63.18(a)–(d) for the Transferor and the Transferee, and from Section 63.18(h)–(p) for the Transferee:

Section 63.18 (Transferor and Transferee) –

- (a) Name, address and telephone number of Transferor and Transferee:

Transferor:

Homebase Acquisition LLC. FRN No. 0010-2458-84
121 South 17th Street
Mattoon, Illinois 61938-3987
(217) 235-3311

Transferee:

Consolidated Communications
Illinois Holdings , Inc. FRN No. 0007-4947-76
121 South 17th Street
Mattoon, Illinois 61938-3987
(217) 235-3311

- (b) Transferor: Homebase is a Delaware limited liability company.
Transferee: CCIH is a corporation organized under the laws of the State of Delaware.

ANSWER TO QUESTION 10:

- (c) Correspondence concerning this Application should be sent to:

Jean L. Kiddoo, Esq.
Ulises R. Pin, Esq.
Swidler Berlin LLP
3000 K Street, N.W., Suite 300
Washington, DC 20007
Tel: (202) 424-7500
Fax: (202) 424-7645

- (d) Transferor: Homebase has not previously received authority under Section 214 of the Act.
Transferee: CCIH holds international 214 authority to provide (i) global or limited global facilities based and resale international services (with the exception of Ireland) (ITC-214-20020814-00400); and

(ii) global or limited global resale service between the United States and Ireland, solely through the resale of unaffiliated U.S. facilities-based carrier's international switched services (ITC-214-20020823-00413).⁶

Licensees: A list of the Section 214 authorizations held by the International 214 Subsidiaries is appended hereto as Exhibit B and a list of the Domestic 214 Subsidiaries is part of Exhibit C.

ANSWER TO QUESTION 11:

Section 63.18 (Transferee) -

- (h) Following the completion of the proposed Transactions, the following entities will directly or indirectly own 10% or more of the equity of the **Operating Subsidiaries**:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Consolidated Communications Illinois Holdings, Inc. 121 South 17th Street Mattoon, Illinois 61938-3987	100	U.S.A.	Holding Company

The following entity will hold a ten percent (10%) or greater ownership interest in **Consolidated Communications Illinois Holdings, Inc.:**

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Central Illinois Telephone, LLC 121 South 17th Street Mattoon, Illinois 61938-3987	25%	U.S.A.	Investment
Providence Equity Partners IV, LP ("Providence IV") 50 Kennedy Plaza 18 th Floor Providence, Rhode Island 02903	15%	U.S.A.	Investment

The equity interests in CIT are approximately 81.9% owned by SKL Investment Group, a Delaware limited liability company ("SKL"). SKL is owned by Mr. Lumpkin and members of his family. CIT's sole Managing Member with respect to its investment in CCIH is Mr. Richard A. Lumpkin. Mr. Lumpkin is also the Chairman of CCIH. No individual member

⁶ These licenses are listed on the Commission's records under Homebase Acquisition Corp. Homebase Acquisition Corp. changed its name to Consolidated Communications Holdings, Inc. on December 18, 2002, and subsequently changed its name to CCIH on April 2, 2004.

of CIT will hold an indirect 10% or greater interest in CCIH through their ownership of CIT membership interests. The address of SKL and Mr. Lumpkin is 121 South 17th Street Mattoon, Illinois 61938-3987.

Providence Equity GP IV L.P. is the general partner of Providence IV. Providence IV has the sole power to direct the voting and disposition of its CCIH shares. Jonathan M. Nelson, is the managing member of Providence IV. The address of Providence IV and Mr. Nelson is c/o Providence Equity Partners, Inc., 50 Kennedy Plaza, 18th Floor, Providence, Rhode Island 02903.

Following the IPO, management employees of CCIH will retain approximately 5% of the stock of CCIH, and the remaining shares of CCIH representing approximately 50% to 60% of CCIH will be widely distributed among numerous public minority shareholders.

There are no other entities or individuals that will hold a 10% or greater direct or indirect interest in CCIH.

ANSWER TO QUESTION 12:

Applicants have no interlocking officers and directors with foreign carriers to report.

ANSWERS TO QUESTIONS 14 – 16, 18:

(i) CCIH certifies that it is not a foreign carrier within the meaning of 63.09(d) of the Commission's Rules. Following consummation of the Transaction, CCIH will not be directly affiliated, within the meaning of 63.09 of the Commission's Rules, with any foreign carriers.⁷

(j) CCIH does not seek to provide international telecommunications services to any destination country in which: (1) CCIH is a foreign carrier in that country; (2) CCIH controls a foreign carrier in that country; or (3) any entity that owns more than 25 percent of CCIH, or that controls CCIH, controls a foreign carrier in that country. CCIH also hereby certifies that it does not seek to provide international telecommunications services to any destination country in which two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of CCIH and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

(k)-(m) Not applicable because CCIH is not a foreign carrier and is not affiliated with a

⁷ Providence IV (the current holder of approximately 30% of the equity of Homebase) also holds a 29.9% stock interest in Valentia Telecommunications, which, in turn, owns all of the issued and outstanding stock of Eircom Ltd. ("Eircom"). Eircom is a dominant telecommunications carrier in Ireland. However, post-Transaction, Providence IV's ownership in CCIH will be below the 25% threshold required by Section 63.09 of the Commission's Rules. Accordingly, CCIH and the International 214 Subsidiaries will no longer be affiliated with Eircom.

foreign carrier.

- (n) Neither CCIH nor any of the International 214 Subsidiaries has agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- (o) CCIH certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a), that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) This Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's Rules. This Application qualifies for streamlined processing because: (1) CCIH is not affiliated with a foreign carrier on any route for which authority is sought; (2) CCIH is not affiliated with any dominant U.S. carrier whose international switched or private lines services it seeks to resell; and (3) CCIH is not requesting authority to provide switched service over private lines to countries not previously authorized for service by the Commission.

VI. ADDITIONAL INFORMATION REQUIRED UNDER SECTION 63.04(b)

In lieu of an attachment, pursuant to Section 63.04(b) of the Commission's Rules,⁸ Applicants submit the following information in support of their request for a transfer of control of the Domestic 214 Subsidiaries in order to address the requirements set forth under paragraphs (a)(6) through (a)(12) of Section 63.04.

- (a)(6) A description of the proposed Transaction is set forth in **Section II** above.
- (a)(7) The Domestic 214 Subsidiaries provide domestic resold and facilities-based interstate telecommunications services on a retail basis in Texas and Illinois. In particular, the Domestic 214 Subsidiaries offer an array of services, including local dial tone, custom calling features, private line services, long distance, dial-up and high-speed Internet access, carrier access and billing and collection services. CCIH does not directly provide domestic telecommunications services.
- (a)(8) This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(iii) because each of Homebase's subsidiaries providing local

⁸ 47 C.F.R. § 63.04(b).

services is an independent local exchange carriers (as defined in Section 64.1902 of the Commission's Rules) that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas.

(a)(9) Through this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Section 63.04(b) of the Commission's rules). In addition, Applicants are concurrently filing (i) a request for the STA; (ii) a FCC Form 603 and special temporary authority request for the transfer of control of certain wireless licenses held by CCIH; and (iii) a FCC Form 312 and special temporary authority request for the transfer of control of a satellite earth station license. No other applications are being filed with the Commission with respect to this Transaction.

(a)(10) Not applicable.

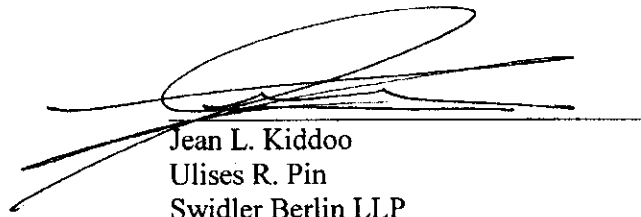
(a)(11) Not applicable.

(a)(12) A statement showing how grant of this Application will serve the public interest, convenience and necessity is provided in **Section III** above.

CONCLUSION

For the foregoing reasons, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Applicants respectfully request expedited treatment to permit the parties to consummate the proposed Transaction as soon as possible.

Respectfully submitted,

A large, stylized handwritten signature in black ink, appearing to read 'Jean L. Kiddoo', is written over a horizontal line.

Jean L. Kiddoo
Ulises R. Pin
Swidler Berlin LLP
3000 K Street, Suite 300
Washington, DC 20007
(202) 424-7500 (Tel)
(202) 424-7645 (Fax)

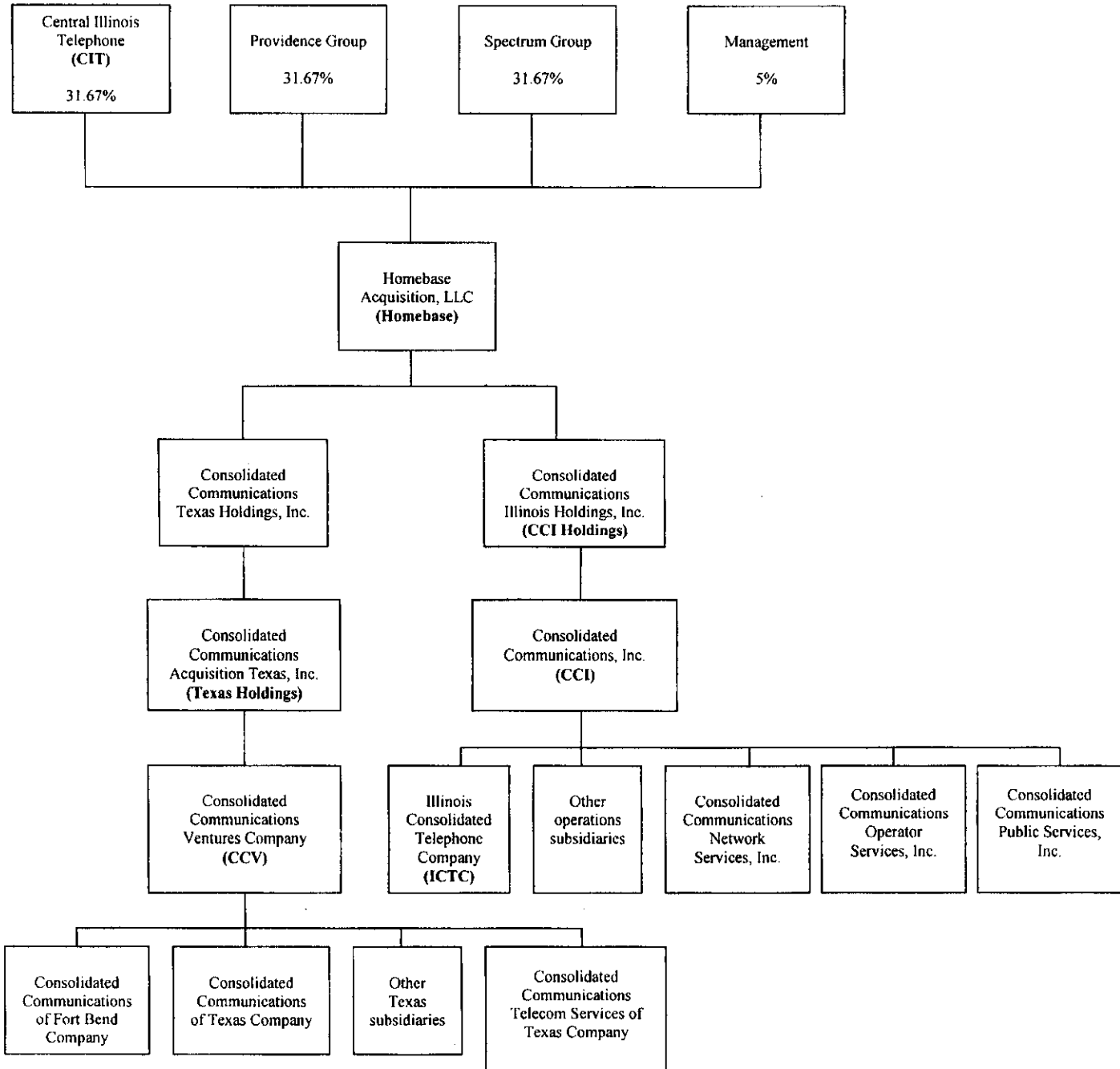
Counsel for Applicants

Dated: July 13, 2005.

EXHIBIT A

Organization Charts

Our Current Organizational Structure



Post Transaction Organizational Structure

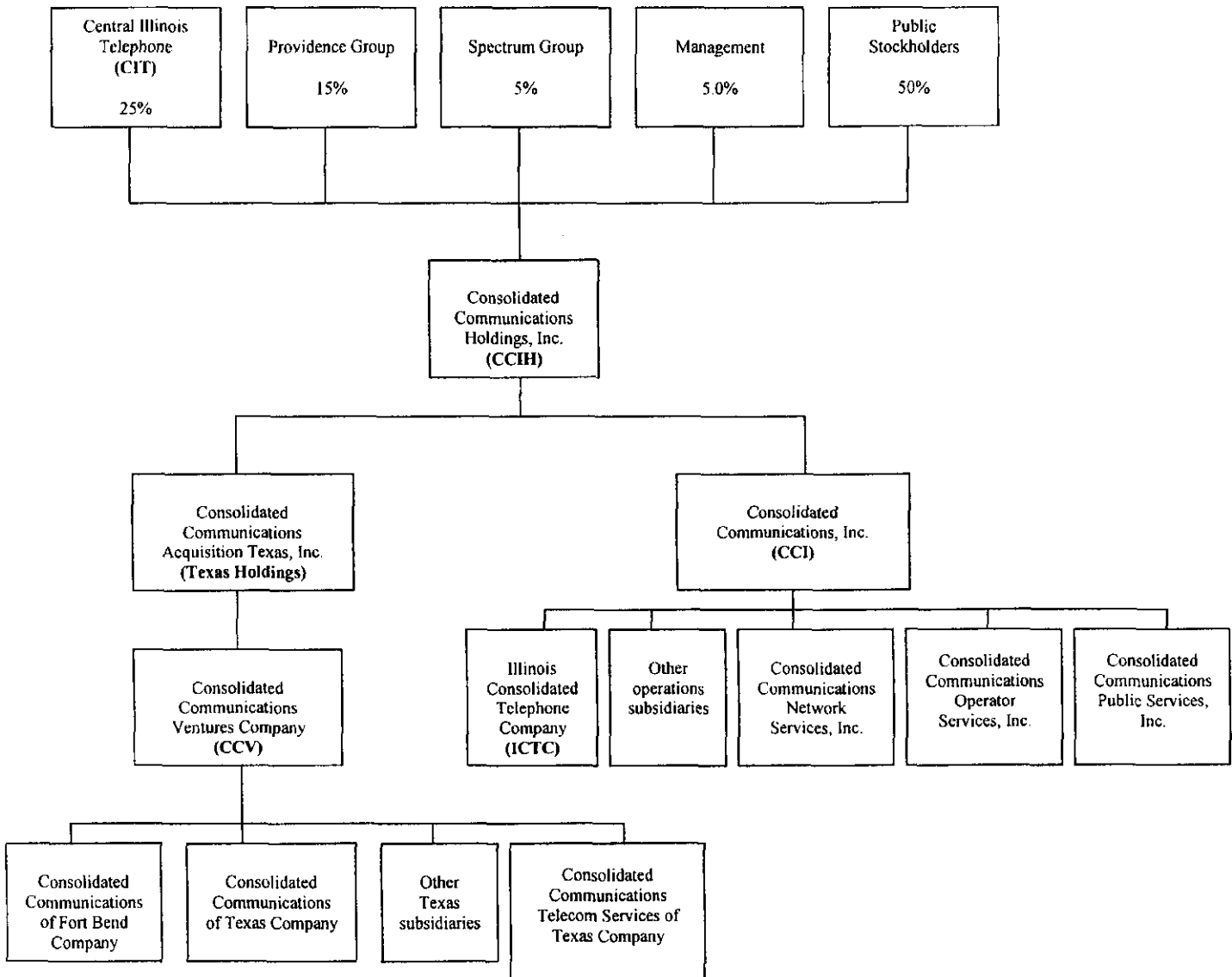


EXHIBIT B

International 214 Subsidiaries

1. **Consolidated Communications Network Services, Inc.** holds international 214 authority to provide global or limited global facilities based and resale international services (ITC-214-20030529-00262).
2. **Consolidated Communications Telecom Services of Texas Company f/k/a Fort Bend Long Distance Company** holds international 214 authority to resell global international switched services (ITC-214-19960729-00349).¹
3. **Consolidated Communications Telecom Services of Texas Company f/k/a TXU Communications Telecom Services Company** holds international 214 authority to resell global international switched services (ITC-214-19980528).²

¹ This entity changed its name to Consolidated Communications Telecom Services of Fort Bend Company on May 4, 2004 and subsequently was merged into Consolidated Communications Telecom Services of Texas Company on December 29, 2004.

² This entity changed its corporate name on May 4, 2004.

EXHIBIT B

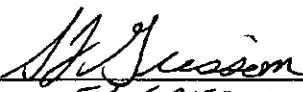
Domestic 214 Subsidiaries

1. Illinois Consolidated Telephone Company
2. Consolidated Communications Network Services, Inc.
3. Consolidated Communications Operator Services, Inc.
4. Consolidated Communications Public Services, Inc.
5. Consolidated Communications of Texas Company
6. Consolidated Communications of Fort Bend Company
7. Consolidated Communications Telecom Services of Texas Company

CERTIFICATIONS

CERTIFICATION


I, SL GRISSAM[NAME], SECRETARY[TITLE] of Homebase Acquisition, LLC ("Homebase"), hereby certify under penalty of perjury that I am authorized to make this Certification on behalf of Homebase, the Transferor in the attached "Application for a Transfer of Control of Domestic and International Section 214 Authorizations" filed by Homebase and Consolidated Communications Holdings Illinois, Inc. (the "Application"). I further certify that the information in the foregoing Application as it pertains to (i) the Transferor; (ii) the International 214 Subsidiaries and (iii) the Domestic 214 Subsidiaries is true and accurate to the best of my knowledge, and that neither the Transferor nor any of the International 214 Subsidiaries nor the Domestic 214 Subsidiaries is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

By: 
Name: SL GRISSAM
Title: SECRETARY
Homebase Acquisition, LLC

Date: July 13, 2005

CERTIFICATION

I, SL Grisson [NAME], SECRETARY [TITLE] of Consolidated Communications Holdings Illinois, Inc. ("CCH"), hereby certify under penalty of perjury that I am authorized to make this Certification on behalf of CCH, the Transferee in the attached "Application for a Transfer of Control of Domestic and International Section 214 Authorizations" filed by CCH and Homebase Acquisition, LLC (the "Application"). I further certify that the information in the foregoing Application as it pertains to the Transferee is true and accurate to the best of my knowledge, and that the Transferee is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

By: 
Name: SL GRISSON
Title: SECRETARY
Consolidated Communications Holdings
Illinois, Inc.

Date: July 13, 2005